

TRI-BOARD MEETING
MAY 1, 2013

I. Call to Order/Roll Call

Board of Selectmen Chairman Paul Salafia called the Tri-Board Meeting of the Board of Selectmen, Finance Committee and School Committee to order at 8:05 P.M. on Wednesday, May 1, 2013 in the Selectmen's Conference Room at the Town Offices. Present from the Board of Selectmen: Paul Salafia-Y, Alex Vispoli-Y, Mary Lyman-Y, and Dan Kowalski-Y.

Finance Committee Chairman S. Jon Stumpf opened the meeting for the Finance Committee. Present from the Finance Committee (Roll call): Joanne Marden, Mary O'Donoghue, Mark Merritt, Peggy Kruse, Paul Fortier, Linn Anderson, and Jeannie Moffitt.

School Committee Chair Paula Colby-Clements opened the meeting for the School Committee. Present from the School Committee: Annie Gilbert-Y, Dennis Forgue-Y, David Birnbach and Barbara L'Italien-Y.

Also present: Town Manager Reginald S. Stapczynski, Assistant Town Manager Steven S. Bucuzzo, Finance Director Donna Walsh, Superintendent of Schools Marinel McGrath and Assistant Superintendent Paul Szymanski. The meeting was duly posted and cablecast live.

II. Opening Ceremonies

Chairman Salafia led the Board members in a Moment of Silence followed by the Pledge of Allegiance.

III. FY-2014 Budget

- **West Middle School Heating/Ventilation System Project – WA #38 for \$1,250,000**

A breakdown of the costs for the WMS HVAC System was distributed to the members by Ed Ataide, Superintendent of Building in the Plant & Facilities Department. He said the project was rebid and new bids are expected to be returned by May 22, 2013. The projected cost of the bids was approximately \$1,800,000 and the Town Manager's recommend budget was \$1,250,000. The purchase of the univents is expected to be \$150,000 and they have \$175,000 left over from the FY-13 CIP to use towards the project, leaving a shortfall of \$225,000.

The Town Manager said an option would be to increase Warrant Article 36 for School Building Maintenance from \$500,000 to \$725,000. Other options to consider include increasing the Plant & Facilities budget by \$445,000 although he is reluctant to do this

due to concerns from the Finance Committee on increased borrowing. The other option would be to increase bonding for Warrant Article 36.

Paula Colby-Clements said she is concerned they are cutting the project cost so close. The group had a discussion on some moderate level of contingency for the project. Joanne Marden suggested adding in additional funds to restore the amount closer to the original request to cover any contingency with the remaining funds used for like projects in the CIP. Ed Ataide said he would be comfortable with \$400,000 and using any remaining funds on other items in School 5 listed in the CIP.

- School Department Budget - \$68,927,593

Paul Szymanski distributed the FY-2014 School Committee Approved Budget Worksheet to the Board members. The worksheet shows the March 29, 2013 Town Manager's recommended budget for the School Department with the adjustment for cable franchise fees at \$68,927,593. The School Committee voted a budget of \$69,303,236 on April 24, 2013 leaving a gap of \$375,643 with the Town Manager's recommendation. Revising the Circuit Breaker assumption decreased the budget request by \$121,105 and then including the Cable Franchise fee and reduction in some items in the Strategic Plan they arrived at a budget of \$68,927,593 leaving a budget gap of approximately \$250,000 which they propose to find within their budget to cover.

Jon Stumpf asked what process was used to encumber funds for the remaining school year. Mr. Szymanski reported they are applying some funds to items on the CIP list that are "shovel ready". He also reported that services for students are constantly changing with needs to be addressed, out of district tuition costs, legal bills are still coming in, and they are also anticipating that building principals will spend down their remaining budget funds on the purchase of instructional materials. To come in alignment with the FY-14 School Budget, they have reduced the amount budgeted for substitute teachers, there is an increase in retirements reported (nine instead of seven), adjustments in contracted services were made, new hires will begin at the M-6 grade level instead of M-8, and other expense items will be covered through grant funding. New positions were reduced from 29.82 to 20.77 with the removal of 2.5 Digital Learning Specialists and 1.5 AHS Health/PE teachers.

Jon Stumpf said the Finance Committee is in favor of a balanced Budget and the opportunity to improve upon the budget process. They would like the Boards to consider making a commitment to starting the process sooner, any surplus funds from the School Department's FY-13 budget are to be returned to the Town's Free Cash Account, and to have a clear dialogue on the hiring of new personnel along with a monthly report from Human Resources. They talked about Chapter 70 funds and new growth revenue and what to do if the dollars received are higher than appropriated. They suggested if this happens, to wait and see the entire picture and not immediately

call for a Special Town Meeting to reallocate the funds. Dennis Forgue said his concern would be ensuring the Chapter 70 funds get to the schools.

It was noted that the headcount in APS was increased to accommodate for the investment for the in-district programs to reduce the cost of out-of-district tuitions. There is a return on the investment in in-district programs.

David Birnbach talked about his proposal for progressive programs at Andover High School and would like to see parity for all students – regular and special education.

Dr. McGrath pointed out that for two to three years Federal Stimulus funds paid for positions that would have been moved out of the Budget. After those funds ended, the positions had to be moved back into the Budget. The grant that covered the Physical Education and Social Studies positions expired and those positions were added back in.

Joanne Marden said anything the School Committee can do to help reduce health insurance costs would be appreciated. There are a significant number of part-time school employees receiving full-time benefits as well as high unemployment costs. These costs are not in the School Committee budget but the costs come out of the Town budget.

The Finance Committee and Board of Selectmen would like a breakdown of Personnel Services and Expenses for the Schools in order to vote the School Committee Budget number; procedurally it has to be voted as two numbers.

Selectman Kowalski asked if the amount of \$130,000 approved for the School Space Study was sufficient and wants to make sure there is adequate funding for this study. Does the School Committee intend to add unencumbered funds to increase the amount? Mr. Szymanski reported that any school balance will be returned to the Town and it is their decision on how to distribute Free Cash. The school would need to encumber funds before June 30th. The original request was for \$600,000 and a larger scope of study. It has been reduced to \$225,000 and the scope of the study was narrowed. The Town Manager said they could use some of the funds in WA #5 for School Capital Projects.

IV. Adjournment

At 10:20 P.M., Alex Vispoli motioned for the Board of Selectmen to enter into Executive Session for confidential communication to discuss the purchase value of real property with Town Counsel that would be detrimental to the Town if discussed in Open Session and to return to Open Session. The motion was seconded by Selectman Kowalski and voted 3-0. Roll call: Paul Salafia-Y, Alex Vispoli-Y, and Dan Kowalski-Y.

On a motion by Dennis Forgue and seconded by Annie Gilbert, the School Committee voted 5-0 to adjourn. Roll call: Paula Colby Clements-Y, Annie Gilbert-Y, Richard

Collins-Y, Dennis Forgue-Y, and David Birnbach-Y.

Finance Committee Chairman S. Jon Stumpf adjourned the meeting for the Finance Committee at 9:35 P.M. on a vote by Mary O'Donoghue and seconded by Mark Merritt. Roll call: Joanne Marden-Y, Mary O'Donoghue-Y, Margaret Kruse-Y, Paul Fortier-Y, Mark Merritt-Y, Linn Anderson-Y, Jeannie Moffitt-Y, and Jon Stumpf-Y.

At 10:20 P.M., the Board of Selectmen reconvened to Open Session from Executive Session.

Warrant Article 36 – WMS HVAC System

The Board previously approved \$500,000 for this project and they need an additional \$400,000 to complete the project which would be funded through bonding. Any remaining balance of the \$400,000 would go towards other items listed on School 5 Projects. The original request was for \$1M.

On a motion by Selectman Kowalski and seconded by Selectman Vispoli, the Board motioned to recommend approval to increase funding for WA #36 in the amount of \$400,000 for a total of \$900,000.

Warrant Article 13 – Unpaid Bills

The Town Manager explained there is an unpaid bill that has to do with longevity for a former school employee in the amount of \$1,397.00. The Board did not take any action on this item.

Adjournment:

At 10:32 P.M., on a motion by Selectman Vispoli and seconded by Selectman Kowalski, the Board voted 3-0 to adjourn the meeting. Roll call: Alex Vispoli-Y, Dan Kowalski-Y, and Paul Salafia-Y.

Respectfully submitted,

Dee DeLorenzo, Recorder

Documents: School FY-14 Approved Budget
Revenue and Expenditure Projections